H-0380.3			

HOUSE BILL 1301

State of Washington 58th Legislature 2003 Regular Session

By Representatives Kirby and Schindler

Read first time 01/22/2003. Referred to Committee on Local Government.

- 1 AN ACT Relating to providing rent vouchers for low-income persons
- 2 to pay for rent and security deposits; amending RCW 36.22.178; and
- 3 creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature recognizes housing
- 6 affordability has become a significant problem for a large portion of
- 7 society in many parts of the state in recent years. To address this
- 8 problem, there is a need to allocate funding from the surcharge of ten
- 9 dollars per instrument charged by the county auditor for each document
- 10 recorded as established under RCW 36.22.178, to provide low-income
- 11 persons with rent vouchers to pay for permanent, multifamily and
- 12 single-family, for-profit, rental housing not supported in any manner
- 13 by government funding.
- 14 Sec. 2. RCW 36.22.178 and 2002 c 294 s 2 are each amended to read
- 15 as follows:
- 16 (1) Except as provided in subsection $((\frac{2}{2}))$ (3) of this section,
- 17 a surcharge of ten dollars per instrument shall be charged by the
- 18 county auditor for each document recorded, which will be in addition to

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any other charge authorized by law. The auditor may retain up to five 1 percent of these funds collected to administer the collection of these 2 funds. Of the remaining funds, forty percent of the revenue generated 3 through this surcharge will be transmitted monthly to the state 4 treasurer who will deposit the funds into the Washington housing trust 5 account. The office of community development of the department of 6 7 community, trade, and economic development will develop quidelines for the use of these funds to support building operation and maintenance 8 costs of housing projects or units within housing projects that are 9 affordable to extremely low-income persons with incomes at or below 10 thirty percent of the area median income, and that require a supplement 11 to rent income to cover ongoing operating expenses. 12

- (2) Sixty percent of the revenue generated by this surcharge will be retained by the county and be deposited into a fund that must be used by the county and its cities and towns for housing projects or units within housing projects that are affordable to very low-income persons with incomes at or below fifty percent of the area median The portion of the surcharge retained by a county shall be allocated to very low-income housing projects or units within such housing projects in the county and the cities within a county according to an interlocal agreement between the county and the cities within the county, consistent with countywide and local housing needs and The funds generated with this surcharge shall not be used for construction of new housing if at any time the vacancy rate for available low-income housing within the county rises above ((ten)) seven percent. The vacancy rate for each county shall be developed using the state low-income vacancy rate standard developed under subsection $((\frac{3}{2}))$ of this section. Permissible uses of these local funds are limited to:
- (a) Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income persons with incomes at or below fifty percent of the area median income;
- (b) Supporting building operation and maintenance costs of housing projects or units within housing projects built with housing trust funds, that are affordable to very low-income persons with incomes at or below fifty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;

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(c) Rental assistance vouchers for housing projects or units within housing projects that are affordable to very low-income persons with incomes at or below fifty percent of the area median income, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with the United States department of housing and urban development's section 8 rental assistance voucher program standards; ((and))

- (d) Rental assistance for payment of first and last month's rent and security and other deposits required by a landlord for housing that is affordable to very low-income persons with incomes at or below fifty percent of the area median income; and
- 13 <u>(e)</u> Operating costs for emergency shelters and licensed overnight youth shelters.
- $((\frac{2}{2}))$ (3) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust.
- $((\frac{3}{1}))$ $\underline{(4)}$ The real estate research center at Washington State 18 University shall develop a vacancy rate standard for low-income housing 19 in the state as described in RCW 18.85.540(1)(i).

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